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| In the Matter of  | ) |                      |
|   | ) |                      |
| Connect America Fund  | ) | WC Docket No. 10-90  |
|   | ) |                      |
| A National Broadband Plan for Our Future                              | ) | GN Docket No. 09-51  |
|   | ) |                      |
| Establishing Just and Reasonable Rates<br>for Local Exchange Carriers | ) | WC Docket 07-135     |
|   | ) |                      |
| High-Cost Universal Service Support                                   | ) | WC Docket No. 05-337 |
|   | ) |                      |
| Developing an Unified Intercarrier<br>Compensation Regime             | ) | CC Docket No. 01-92  |
|   | ) |                      |
| Federal-State Joint Board on Universal<br>Service                     | ) | CC Docket No. 96-45  |
|   | ) |                      |
| Lifeline and Link-Up  | ) | WC Docket No. 03-109 |

### **Comments of the American Library Association**

The American Library Association (ALA), the world’s oldest and largest library association— representing over 61,000 members – is pleased to provide comments on this Notice of Proposed Rulemaking (NPRM) in this proceeding.<sup>1</sup>

#### **I. Introduction and Summary**

ALA supports the transition of the high-cost program of the Universal Service Fund (USF)<sup>2</sup> to support broadband. Broadband service increasingly is an essential service for all Americans, and ALA and its members are at the forefront of efforts to ensure library access to advanced telecommunications and information services and to promote broadband adoption and use, especially in rural areas. However, ALA respectfully asks the Commission to consider broadening its focus beyond residential consumers to include affordable, high-capacity broadband for libraries.

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<sup>1</sup> Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking, FCC 11-13, released February 9, 2011.

<sup>2</sup> We understand that, for purposes of this proceeding, the term USF is being used to describe ONLY the high-cost program within the Universal Service Fund, and not to the other three programs (E-rate, Rural health, and Lifeline/LinkUp). ALA urges the FCC to be cautious to make sure that any reforms adopted here do not unintentionally bleed into the other USF programs, especially the E-rate program.

As a community of information specialists and broadband users, ALA shares the goals of the high-cost program to ensure equitable access to information and services for all. There are more than 16,600 public library buildings in communities across the nation. Each plays a vital role in supporting job searches and career development, small business creation and economic development, school homework and research, and access to online education, training, and E-government resources. Broadband connections are one of the critical elements that allow libraries to provide these essential services to the public.

Public libraries often provide the only source of no-fee Internet access for rural residents, yet their broadband connections lag significantly behind their urban and suburban counterparts. Therefore, ALA urges that funding to serve rural areas, whether from the Connect America Fund or another funding mechanism, should carry with it the obligation to ensure that public libraries receive adequate broadband connectivity.

While the E-rate program continues its work of ensuring universal access through schools and libraries by supporting recurring telecommunications costs, the program was not designed to directly support infrastructure build-out where advanced services do not exist. The Connect America Fund (CAF) can help bridge that gap.

The ALA supports reform of the high-cost program in a way that enables 21<sup>st</sup> century networks and build-out that includes libraries without adversely affecting the already underfunded E-rate program. We urge the Federal Communications Commission (Commission) to include libraries from the beginning as the Commission develops its framework for supporting high-cost broadband build-out for the future.

## **II. Rural Libraries Have Difficulty Obtaining Adequate Broadband.**

Broadband infrastructure and affordable access to it are essential to support evolving communications needs. As education, employment and e-government information and resources move online – and increasingly are available *only* online – the critical need to ensure universal broadband access becomes indisputable. Public libraries have been on the front lines of meeting these needs by installing public access computers, acquiring broadband connections, and providing Internet and computer training to millions of Americans. Individuals increasingly turn to our institutions for assistance and access to computers and the Internet to file their taxes, research business opportunities, schedule appointments with immigration officials to discuss citizenship, participate in meetings and training via videoconferencing, and pursue distance learning.

Seventy-seven million people used their public libraries for public computer and Internet access last year.<sup>3</sup> Two-thirds of U.S. public libraries report they are the only provider of no-fee public access to computers and the Internet in their communities.<sup>4</sup>

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<sup>3</sup> “Opportunity for All: How the American Public Benefits from Internet Access at U.S. Libraries,” <http://www.ims.gov/pdf/OpportunityForAll.pdf>, Institute of Museum and Library Services, 2010.

These trends are even more pronounced in rural areas. Seventy-three percent of rural libraries are the only providers of no-fee public access to computers and the Internet.<sup>5</sup>

Unfortunately, rural libraries are not able to obtain the same level of high-capacity broadband access as urban and suburban libraries. One in five rural libraries report Internet connection speeds less than 1.5Mbps– which is more than double the rate of their suburban (11.8 percent) and five times the rate of their urban (4 percent) counterparts.<sup>6</sup>

At the same time, 26.4 percent of rural libraries report their connection speed is already at the maximum level available in their community.<sup>7</sup> In many areas of the country, the multi-user environment of the public library is severely overwhelming the capacity of available infrastructure.

A recent survey of E-rate participants conducted by the Commission also documents the capacity crunch in schools and libraries. The survey found that “[n]early 80 percent of all [schools and libraries in the program] say their broadband connections do not fully meet their current needs.”<sup>8</sup>

Affordability also is a barrier. Thirty percent of rural libraries report they need to improve the speed of their public access Internet connection, but cannot afford to do so.<sup>9</sup> While the need for broadband capacity grows, state and local budgets do not. In fact, over the past four years, more than half of all states have reported a decrease in funding for public libraries, with cumulative state cuts averaging greater than 10 percent.<sup>10</sup>

### **III. It Is Essential that the Commission Adopt Policies that Allow Rural Libraries to Acquire Better Broadband.**

Addressing the needs of rural libraries for greater broadband capacity is absolutely essential to economic growth and promoting quality of life in rural areas. Community access to online and other library resources is vital, and has proved to be even more critical in the recent recession. A rural library director in Tennessee noted that her county

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<sup>4</sup> “2009-2010 Public Library Funding and Technology Access Survey: Survey Findings and Results,” [http://cli.umd.edu/sites/default/reports/PLFTAS\\_Report\\_2009-10\\_Full.pdf](http://cli.umd.edu/sites/default/reports/PLFTAS_Report_2009-10_Full.pdf), Center for Library & Information Innovation for the American Library Association, 2010. Figure 4.

<sup>5</sup> Ibid.

<sup>6</sup> “2009-2010 Public Library Funding and Technology Access Survey: Survey Findings and Results,” [http://cli.umd.edu/sites/default/reports/PLFTAS\\_Report\\_2009-10\\_Full.pdf](http://cli.umd.edu/sites/default/reports/PLFTAS_Report_2009-10_Full.pdf), Center for Library & Information Innovation for the American Library Association, 2010. Figure 34.

<sup>7</sup> Ibid. Figure 37.

<sup>8</sup> Federal Communications Commission Wireline Competition Bureau. 2010 E-Rate Program and Broadband Usage Survey: Report. DA 10-2414. [http://www.fcc.gov/010511\\_Eratereport.pdf](http://www.fcc.gov/010511_Eratereport.pdf)

<sup>9</sup> “2009-2010 Public Library Funding and Technology Access Survey: Survey Findings and Results,” [http://cli.umd.edu/sites/default/reports/PLFTAS\\_Report\\_2009-10\\_Full.pdf](http://cli.umd.edu/sites/default/reports/PLFTAS_Report_2009-10_Full.pdf), Center for Library & Information Innovation for the American Library Association, 2010. Figure 37.

<sup>10</sup> American Library Association. State of America’s Libraries 2011. <http://ala.org/ala/newspresscenter/mediapresscenter/americaslibraries2011/libraryfunding.cfm>

suffers from a 17 percent unemployment rate, leading many to the library to look for jobs and continuing education. “The local career center is overflowing, so they send people to the library. People are going to school as part of the displaced worker program. There is bigger and bigger demand.”<sup>11</sup>

Ensuring sufficient infrastructure for libraries also increases the likelihood that same infrastructure could be further extended into the community at a more reasonable cost. The high-capacity broadband networks built to serve libraries can serve as a hub for distributing additional services into surrounding neighborhoods.

As anchor institutions, libraries are reliable consumers of broadband, support equitable access to advanced telecommunications and information services, and encourage broadband adoption through digital literacy and technology training. Ninety percent of libraries offer formal technology classes or information assistance for patrons using library computers.<sup>12</sup> By providing these many services, libraries are helping to spur adoption, enabling patrons to become “consumers,” which in turn develops markets and spurs further build-out into the community.

While significant, the broadband funding programs of the American Recovery and Reinvestment Act of 2009 are not sufficient to ensure universal access to broadband. For example, requests for funding in Round 1 of the Broadband Technology Opportunities Program (BTOP) and Broadband Initiatives Program (BIP) were approximately seven times greater than the funds available.

#### **IV. Incorporating the Broadband Needs of Libraries in its Reform of the High-Cost Fund is Supported by Statute.**

There are several statutory provisions that authorize the Commission to require broadband providers that receive Universal Service Fund support to build broadband facilities and provide broadband services to libraries, schools and health care providers.

As the NPRM notes, Section 254(b) authorizes and, in fact, requires the Commission’s universal service policies to promote access to “advanced telecommunications and information services.” Broadband is the principal means by which consumers obtain access to advanced telecommunications and information services today. Providing Universal Service Fund support for broadband facilities and services is thus mandated by the statutory language and is consistent with Congressional intent.

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<sup>11</sup> “Libraries Connect Communities: Public Library Funding & Technology Access Study 2009-2010,” [http://www.ala.org/ala/research/initiatives/plftas/2009\\_2010/index.cfm](http://www.ala.org/ala/research/initiatives/plftas/2009_2010/index.cfm), American Library Association, 2010.

<sup>12</sup> “2009-2010 Public Library Funding and Technology Access Survey: Survey Findings and Results,” [http://clii.umd.edu/sites/default/reports/PLFTAS\\_Report\\_2009-10\\_Full.pdf](http://clii.umd.edu/sites/default/reports/PLFTAS_Report_2009-10_Full.pdf), Center for Library & Information Innovation for the American Library Association, 2010. Figure 44.

The Commission also has clear authority to require recipients of Universal Service support to build out broadband facilities to serve libraries. Section 1 establishes that the purpose of the Communications Act is “to make available, so far as possible, to all the people of the United States, without discrimination . . . a rapid, efficient, Nation-wide, and world-wide wire and radio communications service with adequate facilities at reasonable charges. . .” The “without discrimination” clause is particularly relevant here.

Close to one-third of Americans do not have broadband service at home; the public library may be the only place where these people can receive broadband service. Under Section 1, the Commission has a duty to ensure that libraries have sufficient broadband service available so that people who do not or cannot subscribe at home have access to broadband service “without discrimination.”

In addition to the general provisions of Section 1, the specific provisions of section 254(h) – the E-rate provisions – specifically direct the Commission to ensure that schools, libraries and health care providers can obtain adequate broadband service. In 254(h)(2)(B), Congress required the Commission to establish “competitively neutral rules . . . to define the circumstances under which a telecommunications carrier may be required to connect its network to such public institutional telecommunications users.”<sup>13</sup> As shown earlier in these comments, many libraries do not have sufficient high-capacity broadband services available to them, especially in rural areas. This “circumstance” (the lack of affordable, high-bandwidth broadband services to libraries) is enough for the Commission to require providers to connect (e.g. build out) broadband facilities to libraries.

In addition, Section 706 provides additional authority for the Commission to order recipients of Universal Service support to build out to libraries. That section says that the Commission “*shall* take immediate action to accelerate deployment” if it finds that advanced telecommunications capability is not being deployed to all Americans in a reasonable and timely fashion. The Commission recently made exactly that determination, finding in July 2010 that up to 80 million adults did not subscribe to broadband, and between 14 to 24 million Americans did not have advanced telecommunications capability available to them.<sup>14</sup> Requiring recipients of Universal Service funding to deploy broadband to libraries is an action that the Commission must take in order to fulfill the requirements of Section 706.

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<sup>13</sup> See, section 254(h)(2)(B). “Public institutional telecommunications user” is defined as “an elementary or secondary school, a library, or a health care provider. . . .” See Section 254(h)(5)(C).

<sup>14</sup> The Commission found that “roughly 80 million American adults do not subscribe to broadband at home, and approximately 14 to 24 million Americans remain without broadband access capable of meeting the requirements set forth in section 706. . . . Accordingly, we conclude that broadband deployment to *all* Americans is not reasonable and timely.” *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, Amended by the Broadband Data Improvement Act*, GN Docket Nos. 09-137, 09-51, Report, FCC 10-129, paras. 1 and 2 (rel. July 20, 2010) (*2010 Sixth Broadband Deployment Report*).

The E-rate program, while extremely beneficial to schools and libraries, cannot be relied upon to ensure that broadband providers build out to serve the burgeoning demand for high-capacity broadband services by schools and libraries. The E-rate program is designed to support the recurring costs of telecommunications and broadband expenses. It is generally not designed to fund the non-recurring costs of deploying broadband infrastructure. In fact, if no broadband infrastructure exists, schools and libraries are not able to benefit from the E-rate program in a way that meets their capacity needs.

## **V. Responses to Some Specific Questions Raised by the Commission in the NPRM.**

### **A. Should the Commission consider policies to encourage sharing of infrastructure?**

Shared infrastructure use is particularly important in rural communities where broadband availability lags the most. Nearly 60 percent of public library outlets serve communities with populations fewer than 10,000 residents.<sup>15</sup> As with households, libraries located in rural sparsely populated communities report Internet connection speeds that are dramatically behind their suburban and urban counterparts, as noted above in Section II.

While the bandwidth needs of libraries and residential users vary significantly, it is unlikely there will be multiple providers of high-speed Internet service, so sharing infrastructure – particularly if scaled from the outset to the needs of libraries – is likely to create greater economies of scale.

### **B. How can the USF best achieve synergies with the connectivity objectives articulated for schools and libraries in section 254?**

The proposed Connect America Fund and current E-rate program would complement each other and help ensure the promise of the 1996 Telecommunications Act can be met.

Thousands of public libraries have applied for and received E-rate discounts on basic telecommunications and information services, and thousands more have benefited from access to advanced telecommunications services that have been made available to them through the program. It is essential that schools and libraries in all parts of the country be given the opportunity to access affordable advanced services, which can be enabled by requiring providers to connect their networks to schools and libraries at speeds that support access to advanced services.

If the High-Cost Fund/Connect America Fund can help establish broadband infrastructure to the schools and libraries in an area, then schools and libraries likely can apply for E-rate to support ongoing costs.

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<sup>15</sup> IMLS FY2008 Table 1A. <http://harvester.census.gov/imls/pubs/Publications/pls2008.pdf>

- C. Should the Commission consider unserved community anchor institutions in determining the number of unserved units to be used for assigning support?

The ALA proposes that wherever the Commission identifies unserved residences, it also supports the high-capacity broadband services needed to provide public access computing, digital literacy, research, workforce development and more through our public libraries.

All public libraries are geo-located within data collected and managed by the Institute of Museum of Library Services<sup>16</sup>, making it relatively easy to identify the libraries within a given area.

- D. What is the impact of supporting a single Eligible Telecom Carrier on E-rate and other USF programs?

To reduce the risk of duplicative networks and maximize use of High-Cost Fund/Connect America Funds, the ALA understands the effort to limit the number of eligible telecom carriers (ETCs) in a given geographical area. To ensure reliable, high-quality and high-capacity access for libraries and other anchor institutions, however, the ALA respectfully submits a preference for a high-capacity (more typically a wireline provider) wherever possible, or an allowance for two carriers if one ETC is a mobile provider. In general, mobile providers cannot provide the kind of bandwidth that multi-user environments, such as public libraries, need in order to serve their communities effectively. Therefore, ALA expresses caution about any plans to award ETC status to a mobile provider if that causes the wireline provider to exit the market or makes it more difficult for the wireline provider to invest in sufficient capacity to meet the needs of the library.

If only one ETC is designated, then the Commission must understand that the competitive bidding requirements of the E-rate program (Form 470, 28-day posting of service requirements, etc.) will likely be met with only single responses. It is essential that the competitive bidding requirements in E-rate do not limit the ability of libraries to take advantage of new broadband infrastructure that may be provided as a result of the High-Cost Fund/Connect America Fund or any other Universal Service reforms that may impact who can provide a service in a particular area.

- E. Should the Commission focus on sizing the CAF to ensure the total universal service program, not just the high-cost program, remains at its current size?

The E-rate program, already underfunded, should not be diminished as a result of any reform to high-cost universal service.

Finally, it is important to re-state that the proposed CAF and the existing E-rate program would be complementary. The current cap on the E-rate fund, even though adjusted this

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<sup>16</sup>Institute of Museum and Library Services. <http://harvester.census.gov/imls/publib.asp>

year for the first time for inflation, does not begin to meet the need of libraries and schools. Any potential reform of the high-cost universal service support mechanism should not further limit the cap on the E-rate fund.

Respectfully submitted by,

A handwritten signature in black ink that reads "Emily Sheketoff". The signature is written in a cursive style with a large initial "E".

Emily Sheketoff  
Executive Director  
ALA Washington Office